98TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 98-254

AMENDING RULE XLIX OF THE RULES OF THE HOUSE OF REPRESENTATIVES TO REFLECT THE CHANGES RECENTLY MADE IN THE METHOD OF ESTABLISHING THE STATUTORY LIMIT ON THE PUBLIC DEBT

JUNE 21, 1983.—Referred to the House Calendar and ordered to be printed

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Mr. DERRICK, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 241]

The Committee on Rules, having had under consideration House Resolution 241, report the same to the House with the recommendation that the resolution do pass.

INTRODUCTION AND SUMMARY

House rule XLIX currently directs that, upon adoption of a concurrent resolution on the budget which recommends a change in the limit on the national debt, a joint resolution temporarily increasing (decreasing) the debt limit by the amount recommended in the budget resolution is deemed to have passed the House and is transmitted to the Senate for further legislative action.

If such a concurrent resolution on the budget recommends different appropriate limits on the public debt for two different time periods, two joint resolutions are deemed to have passed, each one changing the debt limit temporarily for one of the two time periods concerned.

House Resolution 241 would amend rule XLIX so that a joint resolution triggered by the passage of a concurrent resolution on the budget would change the debt limit my amending the permanent limit on the national debt, rather than temporarily increasing that limit. House Resolution 241 also provides that only one joint resolution will be triggered by the passage of a single concurrent resolution on the budget, even if such a concurrent resolution recommends two different debt limits for two different fiscal years.

In such a situation, the joint resolution would provide that the limit recommended for the later period shall be the permanent statutory limit, except that the limit recommended for the earlier period shall be in effect for the duration of that period.

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Background

Debt limit

From 1969 until enactment of Public Law 98–34 (H.R. 2990) in May 1983, the U.S. public debt limit consisted of two parts: a permanent debt limit set forth in section 3101(b) of title 31, United States Code, and a temporary increase in that limit, with an expiration date on or before the last day of the fiscal year. Unless a new temporary increase was enacted by the expiration date, the statutory debt limit would revert to the level permanently authorized.

From 1972 until the enactment of Public Law 93–34, the permanent debt limit was $400 billion while temporary increases in that limit rose steadily, to a temporary additional amount of $890.2 billion for fiscal year 1983. This resulted in a total statutory debt limit for fiscal year 1983 of $1,290.2 billion, an amount which the Department of the Treasury in early 1983 estimated would be sufficient to meet the financing needs of the Federal Government only through May 31, 1983.

In response to an administration request, Congress enacted Public Law 98–34 (H.R. 2990) which increased the total debt limit to $1,389 billion, high enough to facilitate the Government's borrowing needs through the end of fiscal year 1983. Rather than increasing the debt limit temporarily, Public Law 98–34 amended the statutory permanent debt limit in subsection (b) of section 3101 of title 31, and repealed the then current temporary increase in the debt limit.

Rule XLIX

The House of Representatives in 1979 adopted (pursuant to provisions of Public Law 96–78, which increased the temporary debt limit for fiscal year 1980), House rule XLIX to provide for automatic House passage of an increase (decrease) in the debt limit upon adoption of any concurrent resolution on the budget which calls for such an increase (decrease).

Clause 1 of rule XLIX provides that, upon adoption by Congress of any concurrent resolution on the budget which sets as the appropriate level of the public debt an amount different from the statutory debt limit in effect for the period to which the budget resolution relates, the House enrolling clerk shall prepare an engrossment of a joint resolution increasing (decreasing) the debt limit by an amount equal to the difference between the current limit and the appropriate limit specified by the budget resolution. This joint resolution is deemed to have passed the House by the vote by which the House adopted the conference report on the budget resolution and is transmitted to the Senate for action.

Clause 2 of rule XLIX specifies the exact language to be used in such a joint resolution. It specifically calls for a *temporary* increase (decrease) in the public debt limit by an amount ". . . equal to the difference between the statutory limit on the public debt as set forth in section 3101(b) of title 31 and the appropriate level of the public debt as set forth in such concurrent resolution."

When a given concurrent resolution revises the budget resolution for 1 fiscal year (including a revision of the appropriate debt limit) and sets forth the budget resolution for the succeeding year, rule XLIX currently requires that two joint resolutions be engrossed and sent to the Senate: one increasing the temporary debt limit for the first

fiscal year; the other increasing the temporary debt limit for the second fiscal year.

Rule XLIX has come into effect three times. In 1980, adoption of House Concurrent Resolution 307 (the first resolution on the budget for fiscal year 1981 and third resolution on the budget for fiscal year 1980) triggered engrossment of House Joint Resolution 569, increasing the debt limit through February 28, 1981; and of House Joint Resolution 570, which set a different debt limit for the period from February 28, 1981, through the end of fiscal year 1981. Both resolutions were enacted into law.

In 1981, adoption of House Concurrent Resolution 115 (the first resolution on the budget for fiscal year 1982 and the third resolution for fiscal year 1981) triggered engrossment of House Joint Resolution 265, which increased the debt limit for fiscal year 1982; and of House Joint Resolution 266, which increased the limit for fiscal year 1981. Both were enacted into law, though House Joint Resolution 266 was not adopted until September 29, 1981, and was, therefore, in effect for only 1 day.

In 1982, adoption of House Concurrent Resolution 92 (the first budget resolution for fiscal year 1983 and the third budget resolution for fiscal year 1982) triggered engrossment of House Joint Resolution 519 to increase the debt limit for fiscal year 1982, and of House Joint Resolution 520 to increase the debt limit for fiscal year 1983. Both were enacted into law.

The adoption of House Concurrent Resolution 91 (the first budget resolution for fiscal year 1984 and the third budget resolution for fiscal year 1983) would also trigger two joint resolutions (if the version finally adopted recommends changes i the debt limit for each of the years covered), except that House Resolution 144 (the rule which provided for House consideration of H. Con. Res. 91) directs that only one joint resolution shall be engrossed. That joint resolution would temporarily increase the debt limit for the remainder of fiscal year 1983 and for all of fiscal year 1984 to the limit recommended for fiscal year 1984 by House Concurrent Resolution 91. This provision of House Resolution 144 would be superseded by the amendment to rule XLIX (if House Resolution 241 is adopted prior to the adoption of House Concurrent Resolution 91) so that, upon passage of House Concurrent Resolution 91, a single joint resolution would be engrossed which would amend the permanent debt limit.

Since rule XLIX has come into effect, the House has twice had to initiate by regular procedures legislation to increase the debt in order to allow the Government to meet its financing needs. In both cases, the existing debt limit would have been reached prior to the adoption of the next budget resolution. In February 1981, H.R. 1553 was enacted to raise the debt limit for the remainder of fiscal year 1981. Most recently, of course, H.R. 2990 was enacted to increase the permanent debt limit to allow the Government to meet financial requirements through September 30, 1983.

Reasons for Change

The Committee on Rules agrees with the finding of the Committee on Ways and Means that the ". . . use of combined permanent and

temporary debt limits complicated both debt management and congressional procedure . . . has outlived whatever usefulness it may have had . . ." and ". . . has become a source of confusion to the public. . . ." (House Report 98–121, to accompany H.R. 2990)

The Committee on Rules also believes that it is unnecessary and confusing to have the enactment of a single concurrent resolution on the budget trigger the engrossment and passage of two separate joint resolutions to increase or decrease the public debt.

The committee, therefore, recommends passage of House Resolution 241 so that rule XLIX will conform to the practice of amending the permanent limit on the national debt, rather than increasing the debt limit temporarily, established by the enactment of Public Law 98–34 earlier this year; and so that Congress can eliminate the duplication of effort required by passage of two joint resolutions to achieve a single reesult.

Provisions of House Resolution 241

House Resolution 241 consists of two amendments to rule XLIX:

(1) The first amendment amends clause 2 of rule XLIX, the clause which specifies the language to be used in the joint resolution to increase the debt limit which is triggered by enactment of a budget resolution.

Where clause 2 currently calls for language to increase (decrease) temporarily (usually for 1 fiscal year) the public debt limit, this amendment specifies that the joint resolution will amend the permanent debt limit by striking out the dollar limitation contained in subsection (b) of section 3101 of title 31, United States Code, and insert instead a dollar limitation equal to the appropriate level of the public debt set forth pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, in a first, second, or revised concurrent resolution on the budget.

Since there may be two such appropriate levels set forth in a single concurrent resolution (one for the current fiscal year contained in a revised budget resolution for the current fiscal year and one for the coming fiscal year as set forth in the first or second budget resolution for the coming fiscal year; appropriate levels of the public debt recommended for fiscal years beyond the coming fiscal year may not be inserted since they are not called for by section 301(a)(5) of the Budget Act) the amended version of rule XLIX would specify that the permanent debt limit contained in subsection (b) of section 3101, title 31, United States Code, be replaced by ". . . both the limitation which is to apply for the later of the two periods (specifying the date on which that limitation is to take effect) and the limitation which is to apply for the earlier of such periods."

Thus, while only one joint resolution is triggered, two different debt limits are set. The amount recommended in the budget resolution as the appropriate debt limit level for the current fiscal year will be the effective limit from enactment of the joint resolution until the end of the current fiscal year; thereafter the amount recommended in the budget resolution as the appropriate level of the public debt for the coming fiscal year will be the statutory limit on the public debt until

subsection (b) of section 3101 of title 31 is further amended to increase or decrease it.

(2) The second amendment amends clause 1 by striking out a reference to increasing or decreasing the public debt ". . . by an amount equal to the difference between such limit and such appropriate level." This is deleted since the amended language of clause 2 would call for changing the permanent debt limit to the "appropriate level" rather than temporarily increasing (decreasing) the debt limit by the difference between the permanent level and the appropriate level.

COMMITTEE ACTION

On June 21, 1983, the Committee on Rules, which has jurisdiction over changes in the Rules of the House of Representatives, held a hearing on the question of amending rule XLIX to reflect changes made by Public Law 98–34 in the method of increasing or decreasing the statutory limit on the public debt.

The committee considered two draft resolutions providing for amendment of rule XLIX. Both resolutions would amend rule XLIX to provide that only one joint resolution to increase (decrease) the debt limit would be triggered by House passage of a single concurrent resolution on the budget. Both resolutions would also amend rule XLIX to provide that such a joint resolution would amend the permanent limit on the national debt, rather than temporarily increasing that limit as currently provided for by rule XLIX.

The two resolutions differed only in that, in the situation where a single concurrent resolution on the budget recommends different limits on the national debt for two different time periods, one resolution directs that the new permanent debt limit shall be the higher of the two recommended limits; the other directs that the limit recommended for the later period shall be the permanent statutory limit, except that the limit recommended for the earlier period shall be in effect for the duration of the earlier period.

The committee received written testimony in support of amending rule XLIX from two Members of the House of Representatives. Representative Richard Gephardt submitted a statement in support of the resolution which would allow different debt limit levels for 2 different fiscal years to be established by a single joint resolution. Representative Barber B. Conable submitted a statement urging the committee to report the resolution which would direct that only a single debt limit be established by any given joint resolution to amend the statutory debt limit. Representative Conable also stated that he would not object to either resolution the committee was considering.

At the close of the hearing, a motion was made that the committee report as a privileged matter the resolution which would amend rule XLIX so that adoption of a concurrent resolution on the budget would trigger a single joint resolution to amend the permanent debt limit, with the possibility of establishing different levels of the debt limit for 2 different, consecutive, fiscal years.

A substitute motion was offered to report the resolution which would require that only a single debt limit level be established by any such joint resolution. This substitute motion failed on a voice vote.

The Committee on Rules then, on June 21, 1983, affirmed the original motion and ordered House Resolution 241 reported without amendment by voice vote, a quorum being present.

Changes in the Rules of the House of Representatives Made by the Resolution

In compliance with clause 4(d) of rule XI of the Rules of the House of Representatives, changes in the Rules of the House of Representatives made by the resolution are shown as follows (existing matter proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing matter in which no change is proposed is shown in roman):

Rules of the House of Representatives

Rule XLIX

ESTABLISHMENT OF STATUTORY LIMIT ON THE PUBLIC DEBT

1. Upon the adoption by the Congress (under section 301, 304, or 310 of the Congressional Budget Act of 1974) of any concurrent resolution on the budget setting forth as the appropriate level of the public debt for the period to which such concurrent resolution relates an amount which is different from the amount of the statutory limit on the public debt that would otherwise be in effect for such period, the enrolling clerk of the House of Representatives shall prepare an engrossment of a joint resolution, in the form prescribed in clause 2, increasing or decreasing the statutory limit on the public debt [by an amount equal to the difference between such limit and such appropriate level]. The vote by which the conference report on the concurrent resolution on the budget was agreed to in the House (or by which the concurrent resolution itself was adopted in the House, if there is no conference report) shall be deemed to have been a vote in favor of such joint resolution upon final passage in the House of Representatives. Upon the engrossment of such joint resolution it shall be deemed to have passed the House of Representatives and been duly certified and examined; the engrossed copy shall be signed by the Clerk and transmitted to the Senate for further legislative action; and (upon final passage by both Houses) the joint resolution shall be signed by the presiding officers of both Houses and presented to the President for his signature (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally.

[2. The matter after the resolving clause in any joint resolution described in clause 1 shall be as follows: "During the period beginning and ending , the public debt limit set forth in section 3101(b) of title 31, United States Code shall be temporarily increased [or decreased] by $ (and any other provision of law providing for a temporary increase [or decrease] in such limit shall not apply)."; with the first two blanks being filled with the beginning and ending dates of the fiscal year or other period to which the concurrent resolution on the budget just agreed to relates, and with the third blank being filled with a dollar figure equal to the

difference between the statutory limit on the public debt as set forth in section 3101(b) of title 31 and the appropriate level of the public debt as set forth in such concurrent resolution.]

2. The matter after the resolving clause in any joint resolution described in clause 1 shall be as follows: 'That subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof "$ ".', with the blank being filled in with a limitation equal to the appropriate level of the public debt as set forth, pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, in the concurrent resolution on the budget (whether such resolution was adopted under section 301, 304, or 310 of such Act). Only one joint resolution shall be prepared under clause 1 upon the adoption of any concurrent resolution on the budget; and, if the concurrent resolution set forth a different appropriate level of the public debt (pursuant to such section 301(a)(5)) for each of two separate periods, the blank referred to in the preceding sentence shall be filled in with both the limitation which is to apply for the later of the two periods (specifying the date on which that limitation is to take effect) and the limitation which is to apply for the earlier of such periods.

3. The report of the Committee on the Budget of the House of Representatives accompanying any concurrent resolution on the budget under section 301(d) of the Congressional Budget Act of 1974, as well as the joint explantory statement accompanying the conference report on any concurrent resolution on the budget, shall contain a clear statement of the effect under this rule that the adoption by both the House and the Senate of such concurrent resolution in the form in which it is being reported (and the adoption of the joint resolution thereupon prepared and enrolled under clause 1) would have upon the statutory limit on the public debt. It shall not be in order in the House of Representatives at any time to consider or adopt any concurrent resolution on the budget (or agree to any conference report thereon) if at that time the report accompanying such concurrent resolution (or the joint statement accompanying such conference report) does not comply with the requirements of this clause.

4. Nothing in this rule shall be construed a limiting or otherwise affecting the power of the House of Representatives or the Senate to consider and pass a bill which (without regard to the procedures under clause 1) changes the statutory limit on the public debt most recently established under this rule or otherwise; and the rights of Members and committees of the House with respect to the introduction, consideration, and reporting of any such bill shall be determined as though this rule had not been adopted.

5. As used in this rule, the term "statutory limit on the public debt" means the maximum face amount of obligations issued under authority of chapter 31 of title 31, United States Code and obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), determined under section 3101(b) of title 31 after the application of section 3101(a) of title 31 which may be outstanding at any one time.

Statement Under Clause 2(l)(3) of Rule XI of the Rules of the House of Representatives

A. OVERSIGHT STATEMENT

The committee made no special oversight findings on this resolution.

B. BUDGET STATEMENT

No budget statement is submitted.

C. ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

No estimate or comparison was received from the Director of the Congressional Budget Office as referred to in subdivision (C) of clause 2(l)(3) of the House Rule XI.

D. OVERSIGHT FINDINGS OR RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

No findings or recommendations of the Committee on Government Operations were received as referred to in subdivision (a) of clause 2(l)(3) of House Rule XI.

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